

**BOARD OF ACCOUNTANCY
MEETING MINUTES**

Meeting Date: July 17, 2013
Meeting Location: Central Conference Room, Gardiner, Maine
Time Meeting Began: 7:30 a.m.

Roll Call of Officers:

The following members were present:

Peter Chandler
Michael Nickerson
Tracy Harding
Brian Perkins
Geoffrey Gattis

Staff Present:

Catherine Carroll, Board Administrator
Cecile Sirois, Hearing Recorder

AAG Present:

Robert Perkins

Chair Peter Chandler called the meeting to order.

Board Meeting Minutes

A motion was made to accept the May 22, 2013 minutes as amended. Tracy Harding requested two corrections in the "Other Business" portion of the minutes. The first correction would be to delete the word "Ohio" in the first sentence and replace it with "Nashville". The second correction would be to insert the word "oversight" after the word "review" in the second sentence.

Motion: Tracy Harding
Second: Brian Perkins
Unanimous

Other Business

Tracy Harding provided a summary of his meeting with *NASBA's compliance assurance committee meeting* in Nashville, which included meeting with AICPA's Peer Review Board and a peer review oversight committee summit meeting. Among his many observations, Tracy noted an opportunity for Maine to work with NASBA who's receptive to state boards across the nation having access to peer review process.

Catherine Carroll mentioned that she's recruiting candidates to fill the Board Clerk position that was vacated by Jenny Dalbeck in April.

Catherine Carroll sought guidance from the board on whether to open a complaint on RCC Business Services. Catherine brought this to the board's attention in response to an individual writing to Catherine that RCC Business Services is marketing itself as "a hybrid between a CPA firm and a staff bookkeeper". Catherine provided the Board with copies of webpages from

RCC Business Services' website. At which time a motion was made to find that it was not necessary to open a complaint and that there were no concerns that RCC Services was practicing without a license.

Motion: Tracy Harding
Second: Geoffrey Gattis

Chapter 5 Proposed Rules- Board Deliberations

Chairman Chandler started the deliberations by proposing a re-draft of the "work experience" provision of the proposed rule that incorporates public comments made regarding the importance of candidates gaining work experience in a public accounting firm environment versus experience gained in private and/or government entities. The re-draft of this section allows candidates to provide evidence that work experience gained outside of a public accounting firm can be counted provided it is substantially equivalent to what is gained in a public accounting firm venue. Members of the board agreed to the language in the re-draft and expressed caution that substantially equivalent will need to be determined by future boards and there should be continuity when applying this standard. There were no changes to the education provision of the proposed rule.

A motion was made to adopt section 3 and the re-draft of section 4 of the proposed rules.

Motion: Tracy Harding
Second: Mike Nickerson
Unanimous

NASBA's International Evaluation Services

NASBA's International Evaluation Services is requesting the Maine Board of Accountancy to accept their services as a provider of translating transcripts for candidates of foreign countries. Pursuant to Chapter 3 of the board's rules applicants of foreign colleges or universities demonstrating educational experience shall submit post-secondary transcripts to "the Foreign Academic Credential Service or other service approved by the Board for its evaluation". The board is knowledgeable of NASBA's IES providing services to at least 24 states in the nation and found IES as an appropriate function for NASBA.

A motion was made to approve NASBA's International Evaluation Services qualified to provide transcript translation services to Maine applicants.

Motion: Mike Nickerson
Second: Brian Perkins
Unanimous

2012-ACC-7971 Hearing

The Board addressed the specific factual allegations occurred.

A motion was made to acknowledge that allegations "I", "II" and "IV" occurred, and to dismiss allegation "III", all of which are listed in FACT SET #1 of the amended Notice of Hearing.

Motion: Tracy Harding
Second: Geoff Gattis
Unanimous

A motion was made to dismiss allegations "V, VI, VII, and VIII", all of which are listed in FACT SET #2 of the amended Notice of Hearing.

Motion: Tracy Harding
Second: Brian Perkins
Unanimous

A motion was made to acknowledge allegation "IX" listed in FACT SET #3 of the amended Notice of Hearing occurred.

Motion: Geoff Gaddis
Second: Mike Nickerson
Unanimous

A motion was made to acknowledge allegation "X" listed in FACT SET #4 of the amended Notice of Hearing occurred.

Motion: Tracy Harding
Second: Brian Perkins
Unanimous

The Board then addressed specific disciplinary action(s) on the five allegations/violations.

A motion was made to penalize the respondent \$1,500.00, each, for the first four violations, and \$500.00 for the fifth violation, and to suspend the respondent's license 90 days per violation (five violations) for a total of 450 consecutive days along with a probation period of two consecutive years, running consecutively with the suspension, to begin on the date of the signed Decision and Order (D&O). Additionally, engage a licensed firm to evaluate that the respondent's firm's practices of internal controls are in compliance and to recommend improvements, where appropriate. Have this third party firm report this information to the board within 90 days of the beginning of the probation period. Have this third party firm report back to the Board 60 days prior to the end of probation on the respondent's firm's internal controls and the status of whether they are still in place and operating properly.

Motion: Tracy Harding
Second: Mike Nickerson
Unanimous

The appeal period begins on the date of the signed D&O.

Adjournment

The meeting adjourned at 3:15PM